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CHEN MUHUA ATTENDS CHILD RESEARCH CENTER OPENING

OW161120 Beijing XINHUA in English 1041 GMT 16 Jul 87

[Text] Beijing, July 16 (XINHUA) -- The research building of the Children Development Center of China, built by China and UNICEF, was opened here today.

Chen Muhua, state councillor, Kang Keqing, president of the All-China Women's Federation and James Grant, executive director of UNICEF, cut the ribbon at the Center's opening ceremony.

Located west of Beijing, the 7,000-square-meter research building has research rooms, labs, libraries, computers, classrooms and an exhibition and meeting hall.

It will be used for research and experiments on children's development and for training child care workers.

The Chinese Government invested a total of 11 million Yuan and UNICEF provided advanced equipment and instruments.

The Children Development Center of China, a state-run research organ set up in 1983, has carried out surveys into children's mental and physical conditions. It aims at promoting the healthy development of children mentally and physically.

ZHAO ZIYANG GREETES FOREIGN AMBASSADORS IN BEIJING

OW190950 Beijing XINHUA in English 0938 GMT 19 Jul 87

[Text] Beijing, July 19 (XINHUA) -- Chinese Premier Zhao Ziyang met here this afternoon on separate occasions with new Guinean Ambassador to China Adpourahemane Sow and out-going Norwegian Ambassador to China Arne Arnesen and Mauritanian Ambassador to China Youssouf Diagana.

EMBASSY REGRETS U.S. CANCELLATION OF ART EXHIBIT

OW181126 Beijing XINHUA in English 1108 GMT 18 Jul 87

[Text] Washington, July 17 (XINHUA) -- The Chinese Embassy in Washington today expressed regret over a U.S. decision to cancel a portrait exhibition that had been scheduled to show in China this fall.

"It is our position that cultural exchanges should be conducted on the premise of mutual respect," an embassy official said.

Charles Wick, director of the U.S. Information Agency (USIA) told the press on July 15 that the United States decided to cancel the exhibition over China's insistence that portraits of Douglas MacArthur and Golda Meir be cut from the 50 portraits the U.S. National Portrait Gallery had planned to exhibit in China.

MacArthur commanded the U.S. forces in its war against the Democratic People's Republic of Korea in the early 1950s. Golda Meir was former Israeli prime minister. China does not have diplomatic relations with Israel because the latter's policy against the Arab countries.

THE WASHINGTON POST this week quoted USIA officials as saying the list of works for the exhibition had been agreed upon earlier this year, but that a few weeks ago China informed the U.S. Embassy in Beijing that there had been a "misunderstanding" and the two portraits would have to be withdrawn.

"They (the Chinese) are trying to introduce politics and censorship into an event that is supposed to be purely cultural," Wick claimed Wednesday.

Referring to Wick's remarks, an official from the Chinese Embassy told XINHUA that China feels that the two portraits "involve politically sensitive issues", and accepting the two portraits "would not only be incompatible with the Chinese existing policies, but also involve the relations between China and the other Third World countries."

The Chinese official said "It is not the Chinese side that has brought politics into this cultural exchange project."

China consulted the U.S. in a spirit of respect and friendship in the hope that the exhibition could be arranged smoothly, but these efforts failed, the embassy official said.

He also said there has been no "censorship" of the planned exhibition "It is rather a matter of friendly consultation based on mutual respect," he added.

The Chinese official also said that "We believe that the cultural exchanges between our two countries will not be affected by this minor episode."

'ROUNDUP' VIEWS CHANGE IN U.S. POLICY ON ROK

OW171046 Beijing XINHUA in English 1000 GMT 17 Jul 87

["Roundup: Behind the Disturbances in South Korea by Zhang Peng" -- XINHUA headline]

[Text] Washington, July 17 (XINHUA) -- The popular campaign for democracy in South Korea has forced dictator Chon Tu-hwan to compromise by agreeing to direct presidential elections, and also compelled the United States to accelerate the readjustment of its South Korea policy.

The campaign for democracy gained new momentum since June 10, when protest demonstrations spread to all major cities. More and more South Koreans joined in the campaign, including those from the middle class. The situation became more explosive as rumors came that the Chun regime intended to quell the campaign by using military troops.

Learning of the rumor, the United States immediately sent Assistant Secretary of State for East Asian and Pacific Affairs Gaston Sigur, Jr. to Seoul as a special envoy. Sigur, as soon as he arrived in Seoul, started meeting the political elite of South Korea, including Chon and Chairman of the ruling Democratic Justice Party No Tae-u, as well as opposition leaders Kim Tae-chung and Kim Yong-sam.

Meanwhile, U.S. State Department spokesmen issued a series of policy statements, warning against intervention by South Korean troops in the political disturbances, urging the regime to make concessions and open dialogue with the opposition, and also calling for all parties concerned to refrain from violence in order to solve the political crisis peacefully. These statements apparently reflected a change in the U.S. South Korea policy.

The readjustment in policy could be dated back to the beginning of the year. As early as February, Sigur said in a speech in New York that the United States will encourage various parties in South Korea to make efforts aimed at establishing a new political system in South Korea.

The people in South Korea, having been under the dictatorship of Chon, are now aspiring to political change, which most hope to attain through a change in the top leadership. This aspiration, however, suited the United States in the readjustment of its South Korea policy.

Starting with the Seoul trip on June 22 by Sigur, the recent U.S. moves are unusual and deserve attention. Particularly, Sigur unprecedentedly met in Seoul with Kim Tae-chung, who had no personal freedom at that time and whom no U.S. officials had ever met since 1980. James Lilley, U.S. Ambassador to Seoul, was also very active in playing a go-between between the South Korean authorities and opposition parties, as well as conveying messages from the United States. On July 4, he even unprecedentedly arranged, in his official residence, the first meeting of No Tae-u, Kim Tae-chung and Kim Yong-sam. These moves showed that the U.S. Administration is making preparations for Chon's step down. All those who were busily contacted by U.S. officials are principal figures on today's political stage in South Korea. They all could possibly be the top leader after Chon's resignation in 1988. Therefore, it is significant to maintain relations with them, which could leave more room for U.S. efforts to retain its influence in South Korea.

What is more important, President Ronald Reagan changed his policy toward South Korea in consideration of both politics and strategy. For the last seven years, the Reagan administration has fully supported the Chon regime, and made every effort to expand the regime's influence in the world. It was the Reagan administration that made it possible for South Korea to win the host status for the 1988 Olympic Games. However, Chon, who took power in a coup in 1979, has been notorious both at home and abroad because of his oppression of the Korean people. The U.S. support of the regime served as a stimulus to the further growth of anti-U.S. sentiment in South Korea. Along with the development of demonstrations for democracy, the Chon regime was on the verge of collapse. The feelings of dissatisfaction with the South Korean regime in the U.S. Congress were also growing. Therefore the Reagan administration was forced to consider the abandonment of the regime in an attempt to moderate the internal conflict in South Korea and prevent the situation from deteriorating through regime-changing.

In the long run, the deterioration of the situation in South Korea will endanger the global strategy of the United States. In American eyes, South Korea is an important link in the U.S. global strategy of deterring the Soviets from expanding southward. It has been there for nearly forty years. Now there are about 40 U.S. military bases and over 400,000 troops in South Korea. It is inconceivable for the United States to lose such a strategic point. Therefore, in the interests of politics and strategy, the United States is making every effort to maintain political stability in South Korea.

WAN LI HOSTS U.S. NCR CORPORATION DELEGATION

OW171142 Beijing XINHUA in English 1101 GMT 17 Jul 87

[Text] Beijing, July 17 (XINHUA) -- Chinese Vice-Premier Wan Li met with Warren A. Castray, vice-president of the NCR Corporation of the United States, and his party here this afternoon.

Castray, also general leader of the corporation's Asian and Pacific group, told Wan that he will preside over the opening ceremony for an office of the NCR Corporation to be set up in Beijing and confer with Chinese counterparts matters relating to the co-production of computers' machinery spare parts and the joint development of software.

Wan said he welcomes cooperation between China and the NCR Corporation in computer production so that computers will be introduced widely into people's life and production.

The U.S. visitors arrived here July 15 at the invitation of the State Machine-Building Industry Commission.

PRC TO ATTEND SEPTEMBER MPR MONGOLIST CONFERENCE

OW180605 Tokyo KYODO in English 0551 GMT 18 Jul 87

[Text] Tokyo, July 18 KYODO -- China will send several experts on Mongolia to Ulaanbaatar for a Mongolist conference in September for the first time in 28 years, Mongolian sources in Tokyo said Saturday.

China last month sent a National People's Congress delegation to Mongolia and diplomatic analysts here said political as well as academic and cultural exchanges between the two countries are expected to become active.

The Fifth International Mongolist Conference will be held in Ulaanbaatar for one week from September 14 with about 150 Mongolists from more than 20 countries, including the United States, the Soviet Union and Japan, attending.

China sent a delegation to the first such conference held in 1959 but has since refrained from sending one due to cooled relations between China and the Soviet Union.

The sources said China will hold a similar Mongolist meeting in Inner Mongolia September 25-29 and will likely invite both Mongolian and Soviet delegations to the conference.

XINHUA REVIEWS ROK POLITICAL NEGOTIATIONS

OW181601 Beijing XINHUA in English 1519 GMT 18 Jul 87

["New Struggle Over Democracy in South Korea (by Guo Quanyou)" -- XINHUA headline]

[Text] Beijing, July 18 (XINHUA) -- South Korea's Democratic Justice Party (DJP) has only changed its tactics in dealing with opponents and not its policies in accepting a political reform proposal which quieted three weeks of violent demonstrations.

DJP Chairman No Tae-u suggested the reforms to South Korean "President" Chon Tu-hwan June 29, including a call for direct presidential elections, a change from the current system favoring the ruling party, release of political prisoners and negotiations with opposition parties.

No pressed the proposal by threatening to resign as chairman of DJP and to reject his June 10 nomination by Chon as the DJP's presidential candidate if the proposal was not accepted.

Two days later, Chon, pressured by growing nationwide protests and the threats of his handpicked successor, accepted reforms. Now there is a struggle over the substance of the reforms.

Shortly after Chon accepted the reforms, the "government" formed a "five-man group for constitutional amendments" to prepare for direct voting for the president, replacing the electoral college, scheduled for the end of 1987.

Chon resigned as DJP president on July 13 and shuffled his cabinet, saying he would stay above the partisan fray. Yi Han-ki, who had been prime minister for only 47 days, and nine other cabinet members were replaced.

At the same time, the opposition is also preparing for the election. The main group, the Reunification Democratic Party (RDP), has established a "special committee for the constitutional revision."

RDP President Kim Yong-sam announced his intentions by saying "I have never said I will not take part in the campaign for the presidency."

After regaining his political freedom, opposition leader Kim Tae-chung retracted his promise of not running for the presidency.

The RDP continues to pressure the "government" to make real reforms and it urges the entire cabinet to resign, to be replaced by a non-partisan one to oversee the reforms.

The South Korean newspaper "HANGUK ILBO" said recently that the confrontation between the ruling and opposition parties has turned into "one to one" contest after the clash of riot troops and demonstrators on the streets.

The two sides are trying to reach a final compromise before the end of September. Now, it is hard to tell whether the direct presidential election will happen, much less who will win.

COMMENTARY NOTES SOUTH KOREAN CABINET RESHUFFLE

HK171158 Beijing RENMIN RIBAO in Chinese 17 Jul 87 p 6

[Commentary by RENMIN RIBAO reporter Xu Baokang (1776 1405 1660): "A Change in Form But Not in Essence -- on South Korea's Cabinet Reshuffle"]

[Text] On 13 July, Chon Tu-hwan again carried out a major cabinet reshuffle by dismissing Prime Minister Yi Han-ki and other cabinet members who took office at the end of last May, and appointing Prime Minister Kim Chong-yol, the minister of home affairs, the minister of national defense, and six other cabinet members who did not hold positions in the Democratic Justice Party [DJP]. Chon Tu-hwan took pains to flaunt the newly reshuffled cabinet as a so-called "neutral cabinet."

However, people generally hold that this cabinet reshuffle is ostensibly aimed at reducing the hue of the DJP in the cabinet but is actually "a change in form but not in essence."

Although the so-called "neutrals" who have just joined the cabinet do not hold any "important posts" in the DJP, all of them are "favorites" or "trusted followers" of Chon Tu-hwan and all-out supporters of No Tae-u.

After the cabinet reshuffle, the DJP boasted that the new cabinet members "have both ability and political integrity" and that they will certainly give scope to their "outstanding ability" in handling state affairs during the president's terms of office. But Kim Yong-sam, president of the opposition Unified Democratic Party, categorically pointed out that all the members of the new cabinet are old timers in the official circles either in the past or at present and that none of them is genuinely neutral.

Chon Tu-hwan reshuffled his cabinet last May. He reshuffled it a second time in less than 2 months. What was his aim?

As everyone knows, following the large-scale antigovernment demonstrations by the South Korean people in recent days, the political situation was in such a turbulent state that the United States, fearing that it would be difficult to clear up the turbulent situation in South Korea, exerted continuous pressure on the Chon Tu-hwan cabinet. [paragraph continues]

Given such a pressure, Chon Tu-hwan could not but change his previous tough attitude. On 1 July, he expressed his acceptance of the eight-point proposal on revising the present constitution and holding direct presidential elections put forward by No Tae-u, presidential candidate of the DJP in the next general elections. Soon afterwards, dramatic changes took place in South Korea's political situation. Faced with a series of difficult problems, such as revising the Constitution, holding general elections, and realizing social democracy, Chon Tu-hwan, in an effort to ensure a favorable position for the DJP and to achieve the aim of being in power for a long time, adopted the strategy of "making concessions in order to gain advantages."

Although there have been frequent "changes of horses" in the Chon Tu-hwan cabinet in the past, the members of the ruling party in the cabinet have increased steadily. Due to its long-term service to the Chon Tu-hwan autocratic rule, the cabinet has become more and more unpopular. Although Chon Tu-hwan recently agreed to open a "dialogue" with the opposition party, giving Kim Tae-chung and others a "general amnesty," and relinquished his post as president of the DJP, these acts still fail to remove people's strong dissatisfaction with his cabinet. In South Korea, people universally demand that a "national cabinet" be formed before Chon Tu-hwan steps down. To change the image of the DJP and alleviate contradictions, Chon Tu-hwan could not but reluctantly "part with what he treasured." He let a group of "trusted followers" act as "scapegoats" and replaced them with another group of people similarly "loyal to the DJP." Public opinion here holds that the establishment of a "neutral cabinet" is nothing but a component of Chon Tu-hwan's strategy of "making concessions in order to gain advantages" and a trick played with the aim of continuing the rule of the DJP.

What merits people's attention is that on the 2d day of the "cabinet reshuffle," the DJP reorganized the major posts of the party and formed a new leading body with No Tae-u as the core. People pointed out this is precisely the best footnote showing that the so-called "neutral cabinet" is not neutral at all.

EDITORIAL WARNS AGAINST ILLUSIONS OVER SRV

HK190730 Hong Kong WEN WEI PO in Chinese 18 Jul 87 p 2

[Editorial: "Don't Have Any Illusions About Vietnam"]

[Text] The conference of ASEAN foreign ministers held in Manila the month before last issued a communique on Vietnam's aggression in Cambodia which sternly pointed out: "Although Vietnam has recently tried to create an impression and adopt flexible measures, its basic position on the Cambodian issue has not changed. This can be seen from the 8-point peace proposals of the Coalition Government of Democratic Kampuchea which was rejected without reservations by Vietnam." However, as few days later, Indonesian Foreign Minister Mokhtar, chief negotiator of ASEAN in contacts with Vietnam, suddenly changed his attitude. He said that "with a new leading body, the situation in Vietnam has changed; there are indications showing that Vietnam is willing to wind up the Cambodian issue." Consequently, Vietnam seized the opportunity to invite Mokhtar to visit Hanoi. Mokhtar will visit Vietnam in later July to hold talks with the Vietnamese authorities. There will be formal contacts very soon between Vietnam and ASEAN which have been delayed time and again.

Meanwhile, it has been reported that Sihanouk, who repeatedly refused contacts with the Phnom Penh puppet regime, has decided to make unofficial contacts with Vietnam and the Heng Samrin puppet regime.

Regarding the Cambodian issue, is a compromising solution, further yield to Vietnam, being brewed? The matter merits attention.

It seems that Vietnam and certain ASEAN countries have gradually reached a consensus on one point, that is, the forces of "Red Khmers" should be squeezed out in the solution of the Cambodian issue so that a legitimate government based on the Heng Samrin regime can be established and so that ASEAN can urge Sihanouk to clear up the messy situation and organize a neutral government which will serve as a screen separating Cambodia from Vietnam. However, the solution proposing the "Red Khmers" be squeezed out is nothing but wishful thinking. As Vietnam has failed to exterminate the "Red Khmers" have resisted most of the aggressive forces and puppet troops and have taken root in the country and among the people. Without the participation and approval of the "Red Khmers," it would be impossible to solve the Cambodian issue.

Apart from the resistance of the "Red Khmers" against Vietnam, will Vietnam give up its long cherished dream of an "Indochina Federation?"

Former Vietnamese leaders Le Duan, Truong Chinh, and Pham Van Dong launched the war of aggression against Cambodia. Current Vietnamese leaders Nguyen Van Linh, Pham Hung, and Vo Chi Cong have continued the aggressive policy. True, the current leaders proposed the withdrawal of Vietnamese troops from Cambodia by 1990. This is one of the main factors creating an illusion to the ASEAN countries. As the date is approaching, it seems that Vietnam will immediately withdraw its troops. However, they forget the prerequisite for the withdrawal of Vietnamese troops: "To withdraw Vietnamese troops, ASEAN should agree to squeezing out Pol Pot and other leaders of the Red Khmers." This is precisely why some ASEAN countries have cherished the illusion. Perhaps it can be acceptable. Actually, it is impossible. [paragraph continues]

The United Nations passed a resolution last month urging Vietnam to withdraw its troops from Cambodia and calling on various parties in Cambodia to become reconciled and jointly set up a new government through elections. This reasonable proposal was rejected by Vietnam later. This shows that the current and former Vietnamese leaders are nothing but birds of a feather.

The current Vietnamese leaders probably have a strong sense of reform and are attempting to save Vietnam's collapsing social economy. However, they cannot extricate themselves from the "Indochina Federation" nightmare. With a heavy burden in military spending, Vietnam's internal reforms have also become a vain hope. To date, the current Vietnamese leaders are still not willing to give up their aggressive acts. Any concession and compromise made towards Vietnam will only encourage the arrogance of the aggressors and not help achieve a rational solution of the Cambodian issue. In this regard, there is a hidden peril in which ASEAN will be paid in their own coin for what they have done.

NEW ZEALAND WARSHIPS ARRIVE IN SHANGHAI 18 JUL

OW181322 Beijing XINHUA in English 1219 GMT 18 Jul 87

[Text] Shanghai, July 18 (XINHUA) -- Two frigates, the "Southland" and the "Canterbury", of the New Zealand Navy arrived here today on a five-day visit.

This is the first time for New Zealand warships to make a port call on China since the two countries established diplomatic relations in 1972.

The East China Sea Fleet of the Chinese Navy held a ceremony on the dock to welcome the visiting officers and men of the New Zealand Navy.

Captains and other officers of the two frigates called on Vice-Mayor Qian Xuezhong and Liu Xingwen, commander of the Shanghai units of the Chinese Navy, this afternoon.

The Shanghai units gave a reception here this evening in honor of the visitors, who are scheduled to visit Chinese naval vessels and factories, and tour Wuxi and Suzhou.

HU QILI MEETS WITH GAMBIAN PARTY DELEGATION

OW151052 Beijing XINHUA in English 1042 GMT 15 Jul 87

[Text] Beijing, July 15 (XINHUA) -- Hu Qili, member of the Political Bureau of the Chinese Communist Party Central Committee, met a delegation from the People's Progressive Party of Gambia led by the party's national chairman Kelepha Samba here today.

The host and guests were happy about the steady growth of the relationship between the two countries and two parties in the past few years. They also believed that the delegation's current visit would contribute to the consolidation of the relations between the two parties.

Hu Qili, also member of the Secretariat of the CPC Central Committee, praised the Gambian people for their successes in developing national economy and improving their life and for their active role in African and international affairs.

After a 30-minute meeting, Hu Qili hosted a luncheon in honour of the visitors.

SUGAR MILL MANAGEMENT ACCORD SIGNED WITH MALI

OW171245 Beijing XINHUA Domestic Service in Chinese 0630 GMT 14 Jul 87

[Text] Bamako, 13 Jul (XINHUA) -- A protocol for the second phase of joint Malian-Chinese management of a Malian sugar mill was formally signed here today. Representing each other's government, Modibo Keita, Malian minister of foreign affairs and international cooperation, and Zhou Haiping, Chinese ambassador to Mali, affixed their signatures to the protocol.

The protocol stipulates that the purpose of the second phase of joint Malian-Chinese management of the Malian sugar mill is to strengthen management, revitalize sugar production, and increase economic benefits.

Since the signing of the protocol for the first phase of joint management of the sugar mill 3 years ago, the mill's output has increased from 10,000 to over 18,000 metric tons today, and its staff members and workers have increased 42.5 percent.

KOHL WINDS UP 'SUCCESSFUL' VISIT, DEPARTS

Meets Tibet Leader

OW171530 Beijing XINHUA in English 1510 GMT 17 Jul 87

[Text] Lhasa, July 17 (XINHUA) -- Federal German Chancellor Helmut Kohl said here today that his visit to the Tibet Autonomous Region is aimed at gaining a better understanding of China and looking for areas of cooperation between his country and Tibet.

After a two-day stay in Lhasa, Kohl said that he experienced a harmonious atmosphere here and been deeply impressed by the efforts of the autonomous region to improve the life of its people.

"The Tibetans have reasons to be proud of their history and traditional culture," he added.

Kohl made these remarks at a meeting with Doje Cering, chairman of the region, here this afternoon.

Doje thanked Kohl for his concern about and help for Tibet's economic development on behalf of its people.

He said that Tibet is a virgin land yet to be explored and still backward in various areas despite its abundant natural resources.

He expressed pleasure at discussions by officials of Federal Germany and the autonomous region on future cooperation, adding his belief that great development can be achieved in Tibet with cooperation with Federal Germany and other countries, and support from people of various nationalities in China.

After the meeting, Doje gave a banquet in honor of Kohl and his party.

Speaking at the banquet, Kohl said that Tibet is one of the few areas in the world which have preserved their ancient culture from generation to generation. He expressed appreciation for Tibet's efforts to maintain and develop its traditional culture.

Doje expressed the sincere desire of his autonomous region to cooperate with Federal Germany in economic relations, trade, technology, culture and other fields.

Kohl today visited two local monasteries, Qoikang (Zuglagkang) and Zhebung, and donated 10,000 deutsche marks to each of the two monasteries.

The Federal German visitors also toured the octagonal street, known as Lhasa Fair, and Norbu Linka, former summer palace of the Dalai Lama.

A group of Federal German businessmen accompanying Kohl and led by federal minister for economic cooperations Hans Klein, paid a visit to a local leather factory this afternoon.

The leather factory and a wool processing mill are scheduled to receive technical assistance from Federal Germany.

The two cooperation projects are one of the purposes of Kohl's visit to Tibet. According to Klein, Federal German experts will come to Tibet in August to work on plans for technical assistance to the two factories.

Holds Further Meetings

OW181503 Beijing XINHUA in English 1453 GMT 18 Jul 87

[Text] Lhasa, July 18 (XINHUA) -- Federal German Chancellor Helmut Kohl and his party today visited Potala Palace here and the Yangbajain experimental geothermal power station, 90 kilometers away from Lhasa.

Mao Rubai, vice-chairman of the Government of the Tibet Autonomous Region, met and conferred today with Federal German businessmen accompanying Kohl on possibilities for economic and technical cooperation between Tibet and Federal Germany.

The Federal German visitors attended an evening performance sponsored by the Tibet Regional Government here tonight.

Kohl and his party are scheduled to leave here for Kunming tomorrow.

Tibetan Leader Meets FRG Media

OW181807 Beijing XINHUA in English 1744 GMT 18 Jul 87

[Text] Lhasa, July 18 (XINHUA) -- Doje Cering, chairman of the Government of the Tibet Autonomous Region, said here today that Tibet welcomes overseas businessmen and entrepreneurs to invest, and trade and establish enterprises so as to help develop Tibet's abundant resources.

Doje made this remark at a press conference he and other leading officials of the regional government gave for Federal German reporters accompanying Chancellor Helmut Kohl on his visit to China and Chinese reporters here this evening.

On the preservation of traditional Tibetan culture, Doje said that the modernization drive in Tibet is not in conflict with the preservation of its traditional national culture.

"We will not only preserve our cultural heritage, but also develop it," he added.

Doje reiterated that China's policy toward the Dalai Lama remains unchanged, i.e., all patriots belong to the same family whether they come early or late and no one should be punished for his past misdeeds.

He said that the Dalai Lama and his followers are welcome to return home. The Dalai Lama will be treated the same as he was before 1959 in both political affairs and daily life.

"We can forget what happened in 1959. We sincerely welcome the Dalai Lama and his followers to come home and contribute to China's reunification, to the friendship between the Tibetans and the Hans, to the unity of the various nationalities in China and to our country's modernization drive," he added.

Puqung, vice-chairman of the regional government, said that since 1979 the autonomous region has renovated and reopened 234 monasteries, temples and nunneries, and reopened 743 religious halls. There are now over 15,000 lamas and nuns as well as 330 living buddhas. More monasteries are scheduled to open in the next few years.

Mao Rubai, another vice-chairman of the regional government, said that a large number of Tibetan young people have been sent to study in schools in other parts of China. The outstanding ones among them will be sent abroad for further education.

He disclosed that the region will also invite foreign experts to teach in the region and send more students to study abroad as part of a program to train Tibetan specialists for the region.

He said that many courses, such as those in the history, medicine and arts of Tibet are now taught in the Tibetan language and more courses are to be taught in Tibetan in the future.

Mao said that Tibet received some 30,000 overseas tourists in 1986, and it is expected that some 40,000 tourists will visit the autonomous region this year. He predicted that Tibet will receive up to 100,000 tourists in 1990.

Kohl Departs for Nepal

LD191158 Hamburg DPA in German 1104 GMT 19 Jul 87

[Text] Lhasa (DPA) -- Federal Chancellor Kohl today ended his 3-day official visit to Tibet and traveled on to Nepal. Kohl stayed in China for 1 week. He said that he is satisfied both with the talks in Beijing and the visit to Tibet. Bonn intends to work more closely with both. This morning, Kohl and his entourage flew in a special Chinese aircraft to Kunming in the Province of Yunnan. During a stopover lasting several hours, he was welcomed by representatives of the provincial government. After this visit, the onward flight to Nepal is scheduled on a Federal German Air Force Aircraft.

Ends 'Successful' Visit

OW191400 Beijing XINHUA in English 1354 GMT 19 Jul 87

[Text] Kunming, July 19 (XINHUA) -- Chancellor of the Federal Republic of Germany Helmut Kohl, his wife and their party left here by air today at the end of their successful China visit.

They were seen off at the airport by He Kang, chairman of the Chinese Government reception committee and minister of agriculture, animal husbandry and fisheries, and He Zhiqiang, governor of Yunnan Province.

Chinese Premier Zhao Ziyang telephoned to Kohl earlier this afternoon, congratulating him on his successful China trip and welcoming him to tour other parts of the country when he has opportunities to revisit China in the future.

Kohl said they had had a very good trip and they were accorded a warm reception wherever they went, adding that his visit to Tibet was especially unforgettable. Tibet is a magnificent place and its people are enthusiastic and hospitable, he said. He also expressed the belief that Tibet is full of hopes. Kohl noted that he had had very good talks with Chinese leaders, which helped further increase the existing good relations between the two countries. He asked Zhao to convey his best regards to Chairman Deng Xiaoping and other Chinese leaders. After their arrival in Kunming from Lhasa at noon today, Kohl and his party toured Xishan scenic resort.

TIAN JIYUN LEAVES SWITZERLAND AFTER VISIT

OW200406 Beijing XINHUA in English 0106 GMT 20 Jul 87

[Text] Berne, July 19 (XINHUA) -- Chinese Vice Premier Tian Jiyun left here for home today. Tian arrived in Geneva on July 12 and spoke at the Seventh Session of the United Nations Conference on Trade and Development (UNCTAD). The vice premier visited the European Organization for Nuclear Research (EONR) in Geneva, where he met a number of Chinese trainees. Tian came to Berne on July 15 for a visit.

SWEDISH ENVOYS VISIT HEBEI, DISCUSS ECONOMICS

SK200425 Shijiazhuang HEBEI RIBAO in Chinese 1 Jul 87 p 2

[Text] At the invitation of the Chinese Scientific and Technological Exchange Center under the State Scientific and Technological Commission and of the Hebei Provincial Scientific and Technological Commission, a five-member delegation headed by Buboge, chairman of the board of directors of the Swedish-Chinese Enterprise Development Center in Sweden, and by vice chairman of the board of directors of the center, arrived in our province on 25 June for a 7-day visit to hold talks on economic and technological cooperation. On the evening of 29 June, Wang Zuwu, vice governor of the province, received and feted the Swedish guests. After giving a brief account of the situation of Hebei Province, Wang Zuwu said: Sweden is relatively well developed in science and technology, and there is much in its technology that we can learn from and make use of. Therefore, the cooperation realm between Sweden and our province is very extensive. Under the guidance of the central authorities' policy on opening to the outside world, the people of Hebei Province are engaging in the four modernizations, and striving to accelerate the construction of the province by importing foreign funds and technologies. I hope that our cooperation realm will be expanded continually and with great success.

Accompanying Wang Zuwu at the reception were Liu Junxiao, chairman of the provincial Scientific and Technological Commission; Liu Xibo, vice chairman of the provincial Scientific and Technological Commission; Cheng Dongcai, deputy director of the provincial Foreign Affairs Office; Hu Junren, deputy director of the provincial Financial Department; and Zhou Shijun, vice mayor of the city of Shijiazhuang. The Swedish delegation has already visited the cities of Chengde and Tangshan and will visit the cities of Xingtai and Handan.

SONG RENQIONG FETES HUNGARY'S MAROTHY, PARTY

OW181052 Beijing XINHUA in English 1016 GMT 18 Jul 87

[Text] Beijing, July 18 (XINHUA) -- Song Renqiong, vice-chairman of the Central Advisory Commission of the Chinese Communist Party (CPC), met and gave a banquet for Laszlo Marothy, member of the Political Bureau of the Central Committee of the Hungarian Socialist Workers' Party and deputy chairman of the Council of Ministers, and his party here tonight.

Upon their arrival here earlier today, the Hungarian visitors were greeted at the airport by Zhu Liang, head of the International Liaison Department of the CPC Central Committee.

CHEN PIXIAN MEETS GDR YOUTHS IN SHANGHAI

OW191228 Shanghai City Service in Mandarin 2200 GMT 15 Jul 87

[Text] Chen Pixian, member of the Secretariat of the CPC Central Committee, cordially met with a delegation from the Youth League of the GDR at the Xijiao Guesthouse in Shanghai on the afternoon of the 15 July. The delegation is led by Hartmut Koenig. Song Defu, first secretary of China's CYL Central Committee, was present at the meeting. Song was conducting an investigation and study in Shanghai.

On behalf of the CPC Central Committee, Comrade Chen Pixian extended his warm welcome to the visitors and happily answered their questions.

Also present at the meeting were Huang Yaojin, secretary of the Shanghai Municipal CYL Committee; Wu Hanmin, deputy secretary of the Shanghai Municipal CYL Committee; and [name indistinct], GDR consul general in Shanghai.

MAN HELD AFTER TIANANMEN SQUARE EXPLOSION 17 JUL

OW181412 Beijing XINHUA in English 1358 GMT 18 Jul 87

[Text] Beijing, July 18 (XINHUA) -- A minor explosion occurred in the vicinity of the Worker-Peasant Sculpture in Beijing's Tiananmen Square just before midnight last night, and it caused no injuries or damage, according to the Ministry of Public Security today.

A 25-year-old man from Hubei Province was caught by patrolmen and local residents at the scene of the incident and he is being held pending inquiries.

ACADEMICS PUBLICIZE IDEAS ON POLITICAL REFORM

HK171125 Beijing CHINA DAILY in English 17 Jul 87 p 4

[By Zhang Xiaogang]

[Text] Academics are stepping up the publicizing of their proposals for China's political reform before the Communist Party's 13th National Congress lifts the curtain on major political restructuring in October.

Political scientists and scholars in other fields are throwing off one lengthy article after another, trying to get across to the public their ideas about the elementary stage of socialism, co-ordination of diverse group interests and the State's ownership of assets.

China's political reform is aimed at separating the Party and administration, decentralizing political power, trimming and improving administrative staff and reinforcing democracy. The forthcoming Party Congress is expected to release the overall programme for this reform.

The three-month preparations for the reform have focused on theoretical research, practical experimentation and the media's continual chastisement of the problems caused by bureaucracy.

The recent publication of a speech in May by Zhao Ziyang, the Party's Acting General Secretary, and the republication of Deng Xiaoping's explanations of political reform in 1980 have added to the theoretical study and debate.

Viewing most of socialist China's past blunders as stemming from a rather bookish or unrealistic reading of Marx, the experts say that at present China is in only the elementary stage of its socialist development. Priority should be given to speeding up of the growth of society's productive force, including the further tapping of citizens' creativity. Only by doing so can the country acquire the characteristics of the beginning of the ideal future society of communism, which the Marxist text originally designed for highly industrialized societies. Throughout this stage, according to Wang Huning, a Shanghai-based political scientist, there will be a continual need for political reform.

Deng Xiaoping has also expressed his ideas on the process of political reform, saying that reform will even extend to the Party's 15th National Congress 10 years from now.

He Jiacheng, a research fellow in the Chinese Academy of Social Sciences who holds a doctorate in economics, told CHINA DAILY that the argument about the elementary stage of socialism can help prevent disturbance of the ongoing reform.

The reform has occasionally been threatened by questions about whether its policies are valid in socialism. But the kind of socialism that is meant derives only from a misunderstanding of the true situation.

Recently a woman manager holding the lease of eight groceries in the northeastern city of Benxi was accused of heading toward capitalism with her successful management. In response to her bitter complaint, the newspapers ECONOMIC DAILY ran an editorial defending leasing as an effective way to improve socialist China's economic results.

He Jiacheng and his colleagues believe that by making clear in what stage of development China is they can also prevent attempts to associate problems inherent in an underdeveloped society with the reforms.

Another group of theoreticians, based at the Research Institute for Reform of the Chinese Economic Structure, earlier this year published their research into the diverse interests of different social groups. Their research is certainly an important political matter, which used to be so sensitive that theoreticians seldom talked about it.

When the differences between the interests of groups are recognized, effort is then called for to balance and co-ordinate various needs and expectations. This aspect deserves special attention, they said, in pushing forward such a major social change as the Chinese reforms.

Proceeding from their studies, they proposed that more channels and opportunities be available to facilitate, the dialogue between those who design and manage the reform and those who participate in it. And dialogues did take place, such as the ones between the young economists and sociologists and the even younger citizens who participated in the student's demonstrations in Beijing and a few other Chinese cities at the turn of the year.

Zhao Ziyang, Acting General Secretary of the Party, apparently preferred this kind of dialogue about the reforms to styles of propaganda that are unable to touch people's consciences.

The study of the role of the State has also led to some new lessons. A group of scholars wrote in ECONOMIC DAILY saying the State played a dual role in a socialist economy, as manager of the national economy and owner of the assets of the public sector.

When the national economy is regulated by government monetary policies and through the market, the State should interfere in enterprises' specific affairs only by resorting to its power as owner of the assets instead of through administrative means.

This proposal is aimed at eliminating offices-turned companies and other unwanted administrative meddling in business.

The article went so far as to appeal for an assets management institution parallel to the State Council, the country's central administration.

But it has been obvious that academics are uninterested in a separate, purely political effort to reform the country's existing political structure. That might upset the pace of economic reform and development and let idealism bring the nation to total anarchy.

He Jiacheng openly expressed his concern about this possibility. Sometimes, he said, idealism can cause more harm than does resistance to change.

He and his colleagues argued that in practice, political and economic reforms are identical. They insist the reform of enterprises has economic and political implications and represent the point at which political reforms joins hands with economic reform.

Chen Yizi, Director of the Research Institute for Reform of the Chinese Economic Structure, warned especially against raising society's expectations to an unrealistically high level.

Chen urged further co-operation between political scientists and economists in programming the specific projects of the Chinese political reform.

It is expected that more theoretical essays on political reform will be published by the Chinese press in the coming months, from which the Communist Party will find more food for thought in redefining its own role in society.

GUANGMING RIBAO VIEWS MISTAKEN MARXISM EXPLANATION

HK140805 Hong Kong ZHONGGUO XINWEN SHE in Chinese 0204 GMT 14 Jul 87

[Text] Beijing, 14 Jul (ZHONGGUO XINWEN SHE) -- After conducting recent investigations in grass-roots organizations, a number of theoretical workers put forward the conclusion that ideological ossification and regarding mistaken additional explanatory notes of Marxism as classics are major obstacles to deepening reform.

The Theoretical Department of GUANGMING RIBAO and the Qilu Petrochemical Company jointly sponsored a theoretical discussion meeting on the mutual relationship between reform and stages of socialism held in Shandong early this month. An article carried on the first page of today's GUANGMING RIBAO says that this view was put forward by more than 60 theoretical and practical workers attending the meeting after conducting investigations into the situation in the Qilu Petrochemical Company.

Those who attended the meeting pointed out that only through conducting in-depth investigations and practice in reform can we enable people to abandon traditional concepts that do not tally with the actual development of socialism, deepen their understanding of reform and the initial stage of socialism, "and really promote the development of Marxism."

In view of some people's method of "working behind closed doors" in their recent theoretical research, the newspaper also carries a commentator's article today saying that the practice of theoretical workers going to grass-roots organizations to conduct investigations and carry out discussions together with practical workers is "a useful attempt" and is also an effective way to overcome ideological ossification and to correct the trend of theory divorcing from reality in theoretical work in the period of deepening reform.

STUDY OF POLITICAL REFORM ISSUES ENCOURAGED

HK17C421 Beijing GUANGMING RIBAO in Chinese 2 Jul 87 p 3

[Article by Wu Zhongyi (0702 0112 3035) and Chen Jing (7115 4552): "Several Basic Questions Concerning the Reform of the Political Structure -- Studying Comrade Deng Xiaoping's 'On the Reform of the System of Party and State Leadership'"]

[Text] The speech entitled "On the Reform of the System of Party and State Leadership" that Comrade Deng Xiaoping delivered in August 1980 at an enlarged meeting of the Political Bureau of the CPC Central Committee was a programmatic document guiding China's political structural reform. Restudying this speech and thoroughly understanding its gist is of great theoretical and practical significance.

The Specific Significance of the Reform of the Political Structure [subhead]

In his essay, rather than directly adopting the term "political structure," Comrade Xiaoping used concepts such as "the system of party and state leadership," "the system of party and state leadership and the cadre system," and "the current systems and institutions in the party and state" to define the significance of the political structure which is different from the fundamental political system.

The current systems and institutions in the party and state discussed in the essay are the main contents of the political structure and also they can be said to be synonymous with the political structure, which is different in meaning from the sociopolitical system. Political system is a concept showing the nature of a country, for instance, our socialist political system refers to the state system in the nature of the people's democratic dictatorship under the leadership of the proletariat while the socialist political structure is the concrete organizational, structural, and managerial form embodying the above-mentioned state system, which includes the organization forms of political parties, government, legislative, judicial, and other organs of state power and the division of authority between them, the structural forms of the interrelations between central and local organs, and the management principles, means, and methods of organizing and coordinating the various organs. It is extremely important to differentiate the concept of political system from that of political structure in theory. This will help us understand that the reform of the political structure currently being discussed and gradually implemented is aimed at instituting and improving the organizational and managerial forms of various organs of state power, perfecting and giving play to their functional mechanisms, and further perfecting and consolidating the socialist fundamental economic and political systems rather than changing the socialist nature of the state under the leadership of the proletariat.

The Importance and Necessity of the Reform of the Political Structure [subhead]

In his speech, Comrade Deng Xiaoping made full expositions on the importance and urgency of reforming our country's political structure. He drew his general inference on this issue when he said: "To meet the requirements of socialist modernization and of the democratization of the political life of the party and state, to promote what is beneficial and eliminate what is harmful, many aspects of our system of party and state leadership and of our other systems need to be reformed." [paragraph continues]

"The purpose of reforming the system of party and state leadership and other systems is to take full advantage of the superiority of the socialist system and speed up China's modernization." He also expounded, in detail, his above-mentioned judgments.

1. The goal of reforming the political structure is to meet the needs of socialist modernization and of the deepened reform of the economic structure.

Socialist modernization should include modernization of industry, agriculture, science and technology, national defense, politics, culture, lifestyles, and even thought processes, ideas, and concepts.

To meet the needs of socialist modernization, it is necessary to conduct an overall structural reform, including reforms in the economic, political, educational, and science and technology structures. Economy is the foundation. The economic structure plays the most immediate role in developing the productive forces and, therefore, the reform of the economic structure is the center of the whole structural reform. However, as the important part of the superstructure, the political structure reacts on economic development to a certain extent. So when we examine past malpractices of our political structure which caused tremendous damage to economic development, we can easily understand the important position the political structure holds in the whole structural reform.

The political structural reform currently facing our country is not just the only way out for our modernization but has also become the necessary condition for deepening the reform of the economic structure. Through the practice of the economic structural reform, people have come to realize that obstruction to reform comes from the old political structure which was closely related to the old economic structure rather than exclusively from the old economic structure. Some links and aspects of our existing political structure have in reality seriously impeded the progress of the economic structural reform. If the political structure which bases itself on the highly concentrated old economic structure and serves the latter is not correspondingly reformed, it will be impossible for it to meet the needs of the modernization program and of the formation of new economic mechanisms, and it will also be difficult to consolidate what has been achieved in the reform.

2. The aim of the reform of the political structure is to meet the needs of democratizing the political life of the party and state and bringing the superiority of the socialist system into full play.

Democratization of the political life of the party and state is determined by the nature of the socialist system. It is aimed at enabling the masses of people to really become the masters of the country and safeguarding the right of the people to be the masters of their destinies so that the rights of the people to participate in state affairs, to express themselves, and to make policy decisions can be ensured and the enthusiasm and creativity of the masses for the political life fully exploited. This goal can be achieved only through promoting democratic participation in public affairs and reforming the political structure, such as improving or restricting the excessively concentrated checks-and-balances mechanism and coordinating the relationship between the party and the government.

Whether or not a socialist state can have real democracy of a high level has a bearing on the question of major principle concerning whether the superiority of the socialist system can be displayed to the full or not. In his speech Comrade Xiaoping pointed out: "In the drive for socialist modernization, our objectives are: economically, to catch up with the developed capitalist countries; politically, to create a higher level of democracy with more substance than that of the capitalist countries. We also aim to produce more and better-trained professionals than they do.... The merits of our party and state institutions should be judged on the basis of whether or not they help us advance toward our objectives." This shows that the superiority of the socialist system is not determined by the concept of socialism in an a priori way but instead, it is embodied by various systems and institutions, including the political structure. If the political structure is not reformed in an overall way and a highly democratic political structure is not steadily realized and perfected, it will be impossible to fully exploit the enthusiasm and creativity of the masses for the political life and the socialist system will be unable to fully display its superiority in a sustained way.

3. The aim of the reform of the political structure is also to promote what is beneficial and eliminate what is harmful and to thoroughly curb unhealthy tendencies and check the recurrence of any catastrophe similar to the "Great Cultural Revolution."

What are the conditions and root causes for the gross mistakes made in thought processes among the revolutionary contingents and the emergence of unhealthy tendencies in the party and society at large? Why is it difficult to overcome them? Are there any ways to guard against them? How can a catastrophe like the "Great Cultural Revolution" be prevented from recurring? These are questions of great concern to the public. In his speech Comrade Xiaoping devoted a lot of time to dealing with these questions over and over again. He said: "It is true that the errors we made in the past were partly attributable to the thought processes and style of work of some cadres. But they were even more attributable to the problems in our organizational and working systems." "Even so great a man as Comrade Mao Zedong was influenced to a serious degree by certain unsound systems and institutions, which resulted in grave misfortunes for the party, the state, and himself." "Together with other factors, the failure, in practice, to solve the problems in our system of leadership led to the decade of catastrophe known as the 'Great Cultural Revolution.'" "Some serious problems which appeared in the past may arise again if the defects in our present systems are not eliminated." These expositions have fully indicated that the fundamental way to check unhealthy tendencies and guard against and eliminate serious problems is to reform the various defects in the political structure resulting from over-concentration of power.

The Objectives and Main Contents of the Reform of the Political Structure [subhead]

Like other reforms, the reform of the political structure must, among other things, have a clear orientation and objectives. In his essay Comrade Xiaoping pointed out that the orientation, and the objective of the current political structural reform must be "to practice people's democracy to the full, ensuring that through various effective forms, all the people truly enjoy the right to manage state affairs -- in particular, state organs at the grass-roots level -- and to run enterprises and institutions, and that they truly enjoy all the rights of citizens; to perfect the revolutionary legal system, to handle contradictions among the people correctly; to crack down on all hostile forces and criminal activities; and to arouse the enthusiasm of the people and consolidate and develop a political situation marked by stability, unity, and liveliness." [paragraph continues]

This tells us that it is necessary, through reform, to further establish a socialist political structure with a high level of democracy, a complete legal system, and high efficiency. The crucial task in this regard is to build socialist democracy of a high level, as Comrade Xiaoping said: Our objectives are "politically, to create a higher level of democracy with more substance than that of the capitalist countries" and "institutionally, to ensure the practice of democracy in political life, in economic management, and in all aspects of social activity."

Such reform orientation and fundamental objectives are defined in accordance with the nature of the socialist system and in light of the actual conditions in our country. In the final analysis, building socialist democracy of a high level is determined by the nature of the socialist system. In a socialist state where the people are the masters of the country, the political structure must ensure the position of the broad masses of people as the masters of the country and their democratic rights. Our existing political structure has not yet thoroughly solved this problem. This is manifested by the fact that the democratic rights really enjoyed by the people are inadequate; the mechanisms of the people participating in managing state affairs are imperfect; and the internal supervisory and restrictive functions of organs of state power are unsound and that in theory, democracy has been long regarded as a means rather than an objective and political structure. Therefore, how to enable the people to really become the main body of power in the state's political life and to enjoy full democratic rights must become the orientation and fundamental objective of the political structural reform.

To attain the above reform objectives, it is necessary to further define the concrete contents of the reform in light of the problems in the existing structure. From what was discussed by Comrade Xiaoping in his speech we can see that the following main tasks are to be completed in the current political structural reform.

1. To transform the structure of power marked by overconcentration of power. Comrade Xiaoping emphasized: "Overconcentration of power in the hands of an individual or of a few people means that most functionaries have no decisionmaking power at all, while the few who do are overburdened. This inevitably leads to bureaucratism and various mistakes, and it inevitably impairs the democratic life, collective management, democratic centralism, and division of labor with individual responsibility in the party and government organizations at all levels. It can thus be seen that overconcentration of power represents an obstacle to the bid to practice the socialist democratic system and the party's democratic centralism and moreover, it carries a great potential danger. In other words, when something wrong appears in the party line, principles, and policies, more often than not, it will cause tremendous damage that will be difficult to remedy. How to take measures to transform the structure of power marked by overconcentration of power will become a question of fundamental importance in the current reform of the political structure.

2. To transform the system of power under which the responsibilities of the party and the government are entwined and the functions of the government are replaced by those of the party. Comrade Xiaoping maintained: Distinguishing between the responsibilities of the party and those of the government and preventing substitution of the former for the latter "will help strengthen and improve the unified leadership of the Central Committee, facilitate the establishment of an effective work system of the various levels of government from top to bottom, and promote a better exercise of government functions and powers." [paragraph continues]

To develop socialist democracy and better improve party leadership, it is necessary to properly handle the relationship between the party and the government or to solve the problem of how the party leads the state. For this purpose, we should formulate principles supervising and checking and balancing the authority of the party, define the functions and powers of the party and the government and division of work among the two in legal terms to thoroughly solve the problem of the double-track leadership structure. At the same time, we should also seriously study and compare the practices adopted by other countries in this regard, such as integration of the party and the government, symmetrization of the party and the government, absolute party power, replacement of the functions of the government by those of the party, unification of the party and the government, separation of the powers of the party from those of the government, and other patterns. All these are the outstanding problems which warrant urgent exploration and solution in the current political structural reform.

3. To perfect the supervisory functions and restrictive mechanisms of organs of state power. To thoroughly solve problems such as overconcentration of power and privilege seeking, and to ensure the people's various democratic rights, Comrade Xiaoping stressed: "There must be a system of mass supervision so that the masses at large and the party rank and file can supervise the cadres, especially the leading cadres. The people have the right to expose, accuse, impeach, replace and recall, according to law, all those who seek personal privileges and refuse to change their ways despite criticism and education.... Here, the most important thing is to have definite organizations to exercise impartial supervision." This serves as an important content of the current political structural reform. In other words, we should institute and perfect a whole set of legal systems capable of exercising external supervision and restriction over state power. Therefore, efforts should be made to study, explore, and work out a series of systems and institutions, such as formulating specific laws and decrees to ensure the citizens' democratic rights, including the right of speech and publication, to fully exploit the role of the people's congresses at various levels in supervising, checking, and balancing administrative and judicial organizations, to effectively ensure judicial organs' independent jurisdiction, and to establish independent administrative, supervisory organs and administrative regulations and rules of procedure. It is also necessary to institute and perfect a mechanism for supervising the internal and external activities of the party in office and a mechanism for the democratic parties and the Communist Party to supervise each other.

4. To reform the cadres system already incompatible with present needs. Comrade Xiaoping pointed out: "We have no regular methods for recruiting, rewarding, and punishing cadres for their retirement, resignation, or removal. Whether they do their work well or poorly, they have iron rice bowls. They can be employed but not dismissed, promoted but not demoted. These things inevitably result in overstaffing and in too many administrative levels and deputy and nominal posts, all of which, in turn, foster the proliferation of bureaucracy. Hence, the necessity for radical reform of these systems." It can thus be seen that he regards elimination of the malpractices of the cadre system as an aspect of the political structural reform which calls for a relatively urgent solution, partly because all reforms should be carried out through cadres and partly because currently the people are strongly against the malpractices in the cadre system. The reform of the cadre system is bound to accelerate reform in other fields. [paragraph continues]

In his speech Comrade Xiaoping also defined many concrete contents of the reform of the cadre system, such as stressing the necessity "to discover and promote fine young and middle-aged cadres, even if we have to bypass certain regulations;" under the premise of stressing both ability and political integrity, "to ensure the ranks of cadres become younger in average age and more knowledgeable and specialized;" "to properly solve the problem of succession of old cadres by new ones;" to acknowledge that "cadres elected by the masses....have proved more capable than cadres appointed from above;" "to improve the systems of election, recruitment, appointment, removal, assessment, impeachment, and rotation of cadres;" and to understand "no leading cadre should hold any office indefinitely." These expositions pointed out the orientation for drawing up reform propositions in this regard.

The General Principle for the Reform of the Political Structure [subhead]

In his speech Comrade Xiaoping concisely formulated the general principle that should be followed in carrying out the reform of the political structure. This is of immediate, instructive significance to the ongoing deliberation and study of comprehensive reform propositions. Comrade Xiaoping pointed out: "We should regularly sum up historical experience, carry out extensive surveys and studies, and synthesize the correct views to continue the reform vigorously and systematically, step by step from the central level on down." "We should reform our currently functioning systems and establish new ones using solid, systematic measures." In other words, in conducting reform in our political structure, we should adopt an active and prudent policy and push ahead with the reform in an active, overall, down-to-earth, systematic, and planned way.

Why should we adopt such a policy? First, we must notice that the time and conditions for the reform of the political structure have matured. The reform has not just started, as Comrade Xiaoping stated: "We have done a good deal, solved many problems, and accomplished much that reflects credit on us since the 3d Plenary Session of the 11th CPC Central Committee. So we have a solid position from which to proceed further." For example, the political life has returned to normal; the united front work has been restored and expanded; the socialist legal system established; the life-long tenure of cadres abolished; and the powers of central authorities separated from those of local authorities. By further summing up experience on the basis of these achievements, we can "lay a firm foundation and establish a correct orientation for the accomplishment" of the political structural reform. Especially at present, with the powerful wave of the economic structural reform fiercely washing the political structure, it is all the more necessary and possible to carry out the reform in a vigorous, comprehensive, and thorough way.

Second, we must also notice the complexity and long duration of the reform of the political structure. This is because compared with the economic structural reform, the political structural reform, involving a wider range of aspects, has more profound substance. It will certainly have a great impact on people's material interests, lifestyles, values, interpersonal relationships, and modes of contact and will inevitably cause ideological shocks in various social strata, and in all quarters. Instead of shaking the socialist fundamental political system and weakening and abolishing party leadership, this reform should refrain from causing great upheavals throughout its process and should ensure that the contradictions and differences between different social strata and quarters are solved in a quite harmonious way. It can thus be seen that the reform is very complex and difficult. This being the case, we should steer a cautious course and take solid and systematic measures in carrying out the reform of the political structure.

To effectively implement this principle, Comrade Xiaoping reminded people to follow some important principles. He urged people to conscientiously conduct surveys and studies, to regularly sum up historical experience, to make a comparison of foreign practices, to synthesize correct views, to eradicate various outdated concepts and erroneous ideas, to strengthen their conviction that the socialist system will improve day by day, and to work out practical and effective propositions and measures to carry out the reform in a systematic and planned way. In accordance with the spirit of these principles, in the current reform of the political system, we should place particular stress on reviewing and summing up the practice of reform since the 3d Plenary Session of the 11th CPC Central Committee, find out the main obstacles imposed by the political structure to the deepened economic structural reform, absorb some useful things from socialist or Western countries after studying and comparing their practices, and conduct full explorations in the theoretical field. Only after all these things are done can practical and effective reform propositions be put into effect.

ZHAO, OTHER LEADERS ON STRENGTHENING ECONOMIC LAWS

OW161512 Beijing XINHUA in English 1450 GMT 17 Jul 87

[Text] Beijing, July 17 (XINHUA) -- Chinese top party and government leader Zhao Ziyang and other senior party and government officials recently called for strengthening the country's economic legal system.

In a letter to the Economic Legislation Research Centre of the State Council and the China Economic Laws Research Society Zhao wrote that economic legislation is required for the development of the planned commodity economy.

Zhao, acting general secretary of the Chinese Communist Party (CPC) Central Committee and premier of the State Council, stressed it is imperative to strengthen the research and publication of economic laws including international economic laws. This is significant for promoting the establishment of standardized economic management, he said.

He called on all cadres and workers, especially those employed in the field, to conscientiously study and implement the enacted economic laws and regulations to guarantee the legitimate rights and interests of enterprises and individuals. Zhao said by opposing all violations of the laws and regulations workers will help maintain normal social and economic order.

Qiao Shi, member of the Political Bureau of the CPC Central Committee and vice premier of the State Council, and Peng Chong, vice chairman of the Standing Committee of the National People's Congress (NPC) and chairman of the NPC Law Committee, made important speeches on the televised education program which will be aired on China Central Television.

Qiao Shi said, economic laws are an important tool for the government to organize and manage economic activities. As the reform of the economic and political structure and the furthering of the policy of opening to the outside world accelerate, economic laws will become increasingly important.

Peng Chong said publicizing economic laws and regulations is especially important. It is necessary to educate people so they can abide by the laws he said, adding enforcement of the laws will be strict and violators will be dealt with severely.

The 200-hour long television program includes lectures by more than 20 leaders at the central and provincial levels and over 40 experts and scholars in economic laws. They explain the country's legislation, judiciary, enforcement of laws as well as how to manage economic development by economic and legal means, an official from the China Economic Laws Society told XINHUA.

China has made conspicuous progress in improving its socialist economic legal system. Since 1979 the National People's Congress and its Standing Committee has promulgated more than 110 important laws, regulations and decrees, the majority of which govern economic activities. Over 70 percent of the 530 regulations and statutes have been enacted by the State Council and 800 local regulations have been issued by provincial, municipal and regional authorities.

The China Economic Laws Research Society now has more than 30 branch societies at the provincial and ministerial level, with a total membership of more than 11,000.

Economic tribunals have also been set up in the country's 3,300 higher, intermediate and basic courts.

HU YAOBANG, LEADERS SEND WREATHS TO MOURN OFFICER

OW192043 Beijing XINHUA Domestic Service in Chinese 1215 GMT 19 Jul 87

[Excerpts] Beijing, 19 Jul (XINHUA) -- Comrade Zhang Lingbin, an outstanding CPC member, a long-tested loyal Communist fighter, a proletarian revolutionary, and a brilliant leader of our Armed Forces' logistic support services, died in Beijing on 14 July 1987 of an illness which failed to respond to medical treatment. This afternoon, 500 party and state leaders, and commanders and fighters of PLA units stationed in Beijing, with deep grief, paid last respects to Comrade Zhang Lingbin's remains laying in state in the hall of the Babaoshan Cemetery of Revolutionaries.

Wreaths were sent in from the CPC Central Committee; the Central Advisory Commission; the Central Military Commission; the Ministry of National Defense; the CPC Central Committee Organization Department; the PLA General Staff Headquarters, General Political Department; and General Logistics Department; the Discipline Inspection Commission of the Central Military Commission; the Navy; the Air Force; the Second Artillery Force; the Commission on Science, Technology, and Industry for National Defense; the PLA National Defense University; the Academy of Military Sciences; the Beijing Military Region; and party and government organs of Hunan Province, Yueyang Municipality and Pingjiang County.

Wreaths were also sent by Zhao Ziyang; Deng Xiaoping, Li Xiannian, Chen Yun, Hu Yaobang, Xu Xiangqian, Nie Rongzhen, Ulanhu, Wan Li, Xi Zhongxun, Yang Shangkun, Yao Yilin, Chen Pixian, Wang Zhen, Bo Yibo, Wang Ping, Wang Shoudao, Wu Xiuquan, Liu Lantao, Jiang Hua, Li Yimang, Xiao Ke, Lu Dingyi, Geng Biao, Ji Pengfei, Huang Zhen, Huang Huoqing, Cheng Zihua, Wang Heshou, Wei Guoqing, Peng Chong, Wang Renzhong, Ye Fei, Liao Hansheng, Zhang Aiping, Kang Keqing, Yang Chengwu, Chen Zaidao, Lu Zhengcao, Cai Chang, Li Jingquan, Ziao Jingguang, He Changgong, Fu Zhong, Tan Zheng, Li Da, Li Zhimin, and Lu Jukai. Yang Dezhi, Yu Qiuli, Qin Jiwei, Song Renqiong, Li Desheng, Song Shilun, Chen Xilian, Daun Junyi, and Hong Xuezhi attended the ceremony to pay last respects to Zhang's remains. They also sent wreaths. [passage omitted]

Comrade Zhang Lingbin was elected alternate member of the 9th, 10th, and 11th CPC Central Committees. He attained the rank of major general in 1955. [passage omitted]

YAO YILIN ON CAPITAL CONSTRUCTION RESTRAINTS

OW170315 Beijing XINHUA Domestic Service in Chinese 1134 GMT 16 Jul 87

[By reporter Tian Chuan]

[Text] Beijing, 16 Jul (XINHUA) -- Yao Yilin, member of the Political Bureau of the CPC Central Committee, and vice premier of the State Council, once again stressed, at the national conference on financial work, that the departments and governments at all levels must earnestly implement the principle known as the "three guarantees and three restrictions," put forward by the State Council, and resolutely restrict capital construction projects financed by local reserve funds. Under no circumstances should we continue to ignore the state regulations and vigorously develop such projects under the pretext that "this project is decided by the secretary" or "that project is decided by the mayor."

He said: At the beginning of this year, the party Central Committee and the State Council said: Except for those approved by the State Council, there should be no more new capital construction projects this year. However, 1,105 new projects were started in January and February alone, of which 88.8 percent were financed by local reserve funds. Therefore, at that time, the State Council asked various districts and departments to halt all newly-started projects, except those urgently needed and started with the special approval of the State Council, and clarify the situation. After sorting out the projects and securing the proper approval, they might restart those which are truly needed. But, at the end of June, despite repeated injunctions from the central authorities, capital construction projects financed by local reserve funds were still being developed instead of curtailed. This runs counter to the guidelines laid down by the central authorities, and constitutes a serious violation of party discipline. The State Planning Commission, and the banking and financial departments, must shoulder responsibility for this, earnestly clarify matters and strengthen their supervision. In dealing with those new projects started this year without proper approval, and still under construction, the bank must refuse to extend any loan, while the financial department must suspend fund allocation. During the final accounts' period at the end of the year, local reserve funds used as investments in nonbudgetary capital construction projects exceeding norms set by the state plan cannot be listed as expenditures, and the norms should be deducted from the plan for the next fiscal year. It is necessary to strictly enforce discipline. Under no circumstances should we allow this kind of phenomenon to prevail and become rampant.

On the economic situation in the country for the first 6 months of this year, Yao Yilin said: Spurred by the campaign to "increase production, practice economy, increase revenue and reduce expenditures," and promote reform in various enterprises, we have witnessed a fine trend, characterized by a sustained growth in our national economy. The total industrial output value for the first half of 1987 rose by 15 percent over that in the corresponding period of 1986. The ratio between light and heavy industry remained balanced. The amount of readily-marketable light and textile products and goods produced to support agriculture increased on a large scale. The first half of this year also witnessed a rapid growth in export-oriented products. Energy products and raw and semi-finished products continued to grow steadily. A fairly good harvest of summer grain and oil-bearing crops was reported. The market was vital, while the deficit in foreign trade became smaller. However, we must also realize that our task to meet the requirements put forward by the central authorities in increasing revenue and reducing expenditure remains arduous. The key lies in the implementation of the various principles, policies, and measures laid down by the central authorities.

Currently, some districts and departments are not firm enough in implementing such principles, policies, and measures. Failing to implement them fully, they are being very calculating in pursuing their own interests. Some districts also carry out the practice of "each takes what he needs." They vigorously implement those policies in their interest, while reluctantly carrying out those which are of little interest to them. Realizing that the economic situation this year is gradually improving, some districts and departments have mentally relaxed their efforts to increase production, practice economy, increase revenue and reduce expenditure. They are not energetic enough in practicing frugality, combating waste, and opposing unhealthy trends. If these phenomena were allowed to spread unchecked, they would adversely affect the overall situation in developing our national economy this year and in the future. It is hoped that all districts and departments take the overall situation into consideration, overcome difficulties, carry out their work well, and resolutely and fully implement the principles, policies, and measures laid down by the party Central Committee and the State Council.

On the issue of further promoting the contracted managerial responsibility system, Yao Yilin said: To implement the contracted managerial responsibility system is an effective way to invigorate large and medium-sized enterprises. Currently, more than 4,000 large and medium-sized enterprises are implementing various forms of the system. Only by fixing the relationship between the state and the enterprise by means of this contractual method, will it be possible to further whip up the enthusiasm of the enterprise and its workers, improve its management, reduce its production costs, and thus increase its revenue. Currently, many forms of the contracted managerial responsibility system are being implemented in various localities in order to adapt the system to the different types of large enterprises in various localities and departments. However, a common principle is to "guarantee the basic figure, ensure the turnover of the proper share of profits to the state, retain more funds for use by the enterprise itself, when its revenue exceeds the quota, and make up the deficits from its own reserve funds, when its revenue is below the quota."

On the issue of revenue and expenditure, Yao Yilin said: Districts and departments must firmly adhere to the principle of doing things within the limits of their financial resources. Under no circumstances should they list the projects they plan to develop, and then look for financial resources. Otherwise, the phenomenon of holding down production value and seeking a high rate of growth in production will invariably prevail. In making arrangements for production in the second half of this year, we should emphasize quality, pay attention to management and work efficiency, and plan our revenues on a reliable basis. It is on this basis that we must plan our expenditure. Various localities must individually strive to achieve a balance between revenue and expenditure. It is for this reason that we must vigorously reduce expenditure, and correct the bad habits characterized by ostentation, extravagance, and lavish spending.

Yao Yilin stressed: In the second half of this year, neither the central nor local departments should set any more precedent by increasing expenditure and reducing revenue. Various departments at the central level must clarify matters and make corrections if they have already set such precedents without concurrence from the Ministry of Finance. Financial departments at the central level should not agree with any precedent set by a locality or department to reduce taxes on their own, beyond their authority. It is necessary to strictly enforce financial discipline, and guard against the issuance of bonuses, the extension of loans and spending money on a crash basis at the end of the year.

HAO JIANXIU VISITS CITIES IN SHANDONG PROVINCE

SK200614 Jinan Shandong Provincial Service in Mandarin 2200 GMT 18 Jul 87

[Text] During her inspection of our province, Hao Jianxiu, member of the Secretariat of the CPC Central Committee, pointed out that Shandong's political and economic situation was very good and its two civilizations were healthy and coordinated. She urged that the province should ceaselessly deepen understanding of the two basic points of the line adopted at the 3d Plenary Session of the 11th CPC Central Committee; further deepen reform; and blaze new trails, make advances, the pioneer ways suitable to the province over the course of reform.

Respectively accompanied by Yang Xingfu, member of the provincial party committee Standing Committee; and Tan Qinglian, vice governor of the province; Comrade Hao Jianxiu conducted investigation and study among Linyi, Zibo, Weifang, Yantai, and Qingdao from 16 June to 18 July and gave instructions for their work. She heard reports given in detail by leaders of 5 cities and prefectures, and responsible comrades of relevant departments and some counties and cities; inspected 7 counties and cities and more than 50 enterprises; sponsored over 20 forums in which participated enterprise plant directors and managers and rural cadres; went deep into mountainous areas and visited a group of impoverished households; and held extensive and cordial talks with cadres at all levels and workers and peasants.

Comrade Hao Jianxiu pointed out: We should persist in the orientation of reform and opening up. Only when we conduct reform can we arouse the vast number of the people's enthusiasm and creativeness, rationalize relations between various sectors of the economy to vitalize the national economy, better adhere to the four cardinal principles, and bring into full play the advantages of the socialist system.

She said: Enhancing the vitality of enterprises is the key to deepening enterprise reform as well as a basic guarantee for success in launching the campaign of increasing production, practicing economy, increasing revenues, and reducing expenditures. Thus, all responsible departments should continue making efforts to further rationalize systems and correctly divide responsibilities, powers, and interests between governments and enterprises, between various enterprises, and between various sections of the enterprises. According to the principle of separating ownership from management, we should establish and perfect the operational mechanism in combination with enterprise responsibilities, powers, and interests. We should continue perfecting various forms of contract responsibility systems on the premise that the base figures covered in the contracts must be advanced, reasonable, and scientific lest the enthusiasm of advanced enterprises be dampened. We should protect enterprises and lighten their burden.

She stressed: Party and government organs should further seek unity of thinking, improve their thinking, upgrade their work efficiency, cater to and serve production, and create good external conditions for deepening enterprise reform.

Concerning the campaign to increase production, practice economy, increase revenues, and reduce expenditures, Comrade Hao Jianxiu pointed out that we should upgrade enterprise management to a new level under reform development.

She said: With great potential in this field, the province will be able to score rapid results.

We should comprehensively tap our potential; arouse and protect the enthusiasm of the vast number of staff and workers; mobilize the masses to suggest ways and means; and develop various forms of coordination between production and management to solve problems concerning raw materials, capital, and technology.

She repeatedly stressed: We should develop materials, skilled persons, and intellectuals to enhance enterprise reserve strength. The reserve strength of skilled persons is more important than that of materials. Thus, we must respect knowledge and skilled persons; and strengthen the construction of the ranks of staff and workers to ensure that their ranks will have lofty ideals, knowledge, morality, and a sense of discipline and to ceaselessly upgrade the staff and workers' political awareness, technological and professional abilities, and basic skill. We should reserve skilled persons and grasp the training of senior, middle-class, and junior skilled persons.

With regard to technological transformation and progress, comrade Hao Jianxiu stressed: We should persist in the principle of self-reliance. It is not only a matter of having faith in our own strength and enhancing our nation's aspiration. Technologically advanced and functional equipment that can be made at home must not be imported. We must focus technological transformation on developing new products, upgrading the standards and quality of products, and creating foreign exchange through exports in order to raise our ability in competitiveness and contingency. We should accelerate the pace of assimilating, absorbing, improving, and domesticizing imported technology and equipment.

Comrade Hao Jianxiu urged that we should open up a new sphere of vision, aim for international markets, and concentrate efforts on developing competitive products in order to create more foreign exchange through exports.

She said: Now that competition is getting keener on the international market and product variety, color, design, and technological requirements are changing rapidly, enterprises are unable to exist or develop if they do not have one or several products with an everlasting advantage. So, enterprises must have a sense of being bogged down in crises, pay attention to readjusting their product mix, ceaselessly develop new products, upgrade and update products, vigorously develop deep and precision processing, upgrade product standards and quality, and strive to make themselves suit the demands of international markets. Industry and trade should cooperate, be enthusiastic, and have a high-degree of responsibility and honor in an effort to make more contributions to the nation.

While inspecting Yimeng mountainous area's work of supporting the poor, Comrade Hao Jianxiu fully affirmed the achievements made by the party organizations and governments at the provincial, prefectural, county, and township levels to improve the mountainous area's impoverishment and praised the gratifying achievements made by the vast number of cadres and the people through self-reliance, plain living, and hard work.

At the same time, she pointed out: People from higher to lower levels should make concerted efforts and foster a spirit of reform to further achieve the work of supporting the poor. We should open up an avenue to eliminate poverty and seek wealth in the course of reform. We should further emancipate our minds; change old ideas; carry forward the spirit of doing pioneering work; open up avenues for effectively and fully developing and using local natural resources to turn the advantages of natural resources into economic advantages; vigorously develop the work of sending labor forces to foreign countries; do a good job in managing and using funds for supporting the poor; and use the funds to improve the backward features in production, to raise our functions for making blood, and to enhance our vitality.

We should strictly control the population growth rate and educate the masses to link family planning with the work of eliminating poverty and seeking wealth.

She urged the cadres and people of well-developed areas to care for and support the people of the old revolutionary base area, to teach them the experiences and methods for seeking wealth, and to help them take the road of seeking common wealth through cooperation and expansion of products.

Liang Buting, secretary of the provincial party committee; Lu Maozeng, deputy secretary of the provincial party committee; and Jiang Chunyun, deputy secretary of the provincial party committee and acting governor of the province, called on Comrade Hao Jianxiu in Weifang.

GU MU CALLS FOR FAVORABLE INVESTMENT CLIMATE

OW170121 Beijing XINHUA Domestic Service in Chinese 1524 GMT 16 Jul 87

[Text] Guangzhou, 16 Jul (XINHUA) -- When inspecting the Guangzhou Economic and Technological Development Zone, State Councillor Gu Mu emphasized that Guangdong must create a "limited climate" [indicate a partial [limited] relaxing of rules normally governing (and often hindering) foreign investment] favorable to foreign investment as soon as possible, to establish a new prospect for still more open and favorable conditions for future foreign investment.

Comrade Gu Mu arrived in the eastern suburbs of Guangzhou City on 14 July, where he inspected the Guangzhou Economic and Technological Development Zone on the eastern edge of Huangpu. He first inspected the Guangzhou Lekang Foodstuffs Company, Ltd. and then the Guangzhou Chengshi Toy Company, Ltd., both of which are Chinese-foreign joint ventures.

It has been learned that, between the end of 1984, when it was established, and the end of 1987, the Guangzhou Economic and Technological Development Zone already had 45 productive enterprises put into operation or trial operation, 19 of which were enterprises with foreign investment. In addition, contracts have been signed for 21 other enterprises with foreign investment, and construction will soon start on these projects.

Gu Mu noted: It was a Guangdong that China first opened its doors to the outside world. Likewise, Guangdong should be the first in China to create a "climate" favorable to foreign investment, "limited" as it may be.

Gu Mu pointed out: The purpose of creating a "limited climate" is to compete with the surrounding developed countries and regions. We should create an investment environment even better than theirs, to establish a new prospect where we become still more appealing to foreign investment in the future.

MINISTER CITES CONTRACT MANAGEMENT GAINS

OW172031 Beijing XINHUA in English 14054 GMT 17 Jul 87

[Text] Beijing, July 17 (XINHUA) -- China has 4,046 large and medium-sized enterprises practising the contract management responsibility system, Minister of the State Economic Commission Lu Dong announced today.

"This indicates that the country's reform within enterprises has entered a new stage with the focus on improving the management mechanism," the minister said at an on-going national meeting to increase production while practising economy.

In China, a large enterprise usually has fixed assets of more than 20 million yuan (about 5.4 million U.S. dollars) and a medium-sized one, eight million yuan.

According to Lu, the present reform aims to solve the problems of management within enterprises by popularizing various forms of contract responsibility systems to enable enterprises to be independent in management while taking responsibility for profits and losses.

He stressed that the enterprise management responsibility system is in line with China's actual conditions and reflects the policy of separating ownership and management.

China has a total of 400,000 industrial enterprises including 8,000 larger enterprises, of which the total industrial output value accounts for 43 percent of the nation's total. These enterprises mainly produce heavy industrial products including airplanes, engines, coal, petroleum, iron and steel, tractors and nonferrous metals.

Starting in 1979, the country began to practise the contract responsibility and leasing system in small enterprises and reduced their taxes. After 1983, it started to carry out the contract responsibility system of factory directors in larger enterprises on a trial basis.

Under the new system, a manager will contract for an enterprise's major norms while enjoying full managerial power, shouldering responsibility and receiving economic rewards and punishment.

According to the minister, the contracts between local government departments and more than half of these enterprises are for between two and four years. The local revenue paid to the government in places which have such enterprises is usually better than in other areas. [sentence as received]

Lu called on enterprises to effectively undertake reform in leading organizations, and the personnel and distribution systems.

WAN LI VISITS NEW BEIJING LIBRARY COMPLEX

OW190422 Beijing XINHUA Domestic Service in Chinese 1346 GMT 17 Jul 87

[By reporter Li Guangru]

[Excerpts] Beijing, 17 Jul (XINHUA) -- Wan Li, vice premier of the State Council, visited the new Beijing Library Complex today to extend regards to the construction workers. [passage omitted]

Comrade Wan Li was visiting the site for the third time. Looking around at the building that had sprung up from the ground, he said with satisfaction. This project, entrusted by Premier Zhou 12 years ago, has been completed at last. Comrade Wan Li then went up into the main building, a 19-story stack room, to have a look at the newly decorated complex.

Satisfied with the quality of construction, he called for exercising first-class management and providing excellent services to match the top-notch buildings and facilities. He also urged care in handling rare, valuable books lest they get damaged. He thanked the workers, designers, and engineers of the No 3 Construction Company of Beijing Municipality, and posed with them for pictures. [passage omitted]

Wang Meng, the minister of culture; Gao Zhanxiang and Liu Deyou, vice ministers of culture; Li Ximing, secretary of the Beijing Municipal Party Committee; and Han Boping and Zhang Baifa, vice mayors of Beijing, also visited the new complex with the vice premier today to greet the construction workers.

LU DONG ON CONTRACTED OPERATIONS OF ENTERPRISES

OW190829 Beijing XINHUA Domestic Service in Chinese 0722 GMT 17 Jul 87

[By reporter Xu Yaozhong]

[Excerpts] A nationwide review shows that where the contract system was introduced earlier, enterprises and their staff members and workers display greater initiative, and good results are noted in the double-increase and double-economy campaign, said Lu Dong, minister in charge of the State Economic Commission, today at a national experience-exchange meeting on increasing production and practicing economy.

Lu Dong explained this by citing numerous examples. He said: Jilin began to implement the contract system province-wide as early as 1983, and since then the system has never been discontinued. During the past 4 years, its output value, sales proceeds, profits, tax receipts, and financial revenue have all increased at the same time at a rather high rate. Following an average revenue growth rate of 19 percent per annum over 4 successive years, the province's revenue for January through June this year showed a 16.3 percent rise compared with the corresponding period of last year. The same is true to Guangdong, Heilongjiang, and Shanxi Provinces. For the period from January through June, Guangdong's revenue was 20.3 percent higher than last year's corresponding period, while the increases scored by Shanxi and Heilongjiang were 16.4 and 22.6 percent respectively, all being far above the nation's average growth rate of 8 percent. In Beijing Municipality, the enterprises operated by contract have generally achieved better economic results than those that have not implemented the contract system. A general review of the situation in various localities shows that most enterprises introduced the contract system after April this year. Now we are able to see the initial results of the contracted operations responsibility system in stimulating the double-increase and double-economy campaign.

In his speech, Lu Dong reviewed the progress made in instituting the contracted operations responsibility system. He said: Although it has not been long since the system was first introduced, fairly quick progress has been made in implementing this system in various localities. Rather safe steps have been taken in doing this, and good results have already been achieved. This indicates that the State Council's plan to implement the various forms of the contracted operations responsibility system so as to improve the operational mechanism of enterprises accords with the actual situation and has, in general, been well received by various localities and enterprises. [passage omitted] According to statistics covering 28 provinces, municipalities, and autonomous regions, 4,046 of the 7,814 large and medium-sized enterprises have instituted the contract system -- 51.8 percent.

Comrade Lu Dong said: The present trend to implement the various forms of the contracted operations responsibility system in various localities is good, and relatively sound progress has been made in this direction. As can be seen from the results of investigation, four new characteristics have appeared in implementing the contracted operations responsibility system in various localities: First, key responsible comrades personally attend to this matter. Second, this contract system taps the potentials within enterprises through the improvement of their operational mechanism. It is not aimed at reducing their tax liability or allowing them to retain more profits at their own disposal, but increasing their tax payments and profits. Third, emphasis is placed on major backbone enterprises and those enterprises that contribute large amounts of tax and profits to the state. Fourth, the actual situation is taken into consideration, and various forms of the system rather than a single pattern are adopted.

Regarding the opinion about enterprise reform in the future, Lu Dong said: For some time to come, enterprise reform should continue to be carried out in accordance with the relevant documents of the State Council and the arrangements made by the provincial governors' meeting on implementation of the various forms of the contracted operations responsibility system. It is necessary to maintain the continuity and stability of the policy. Contracted operations, once decided should remain unchanged for several years, and the policy on enterprise reform should also be relatively stable. In particular, the contracted operations responsibility system has been adopted in various localities, and a sizable number of enterprises have an operational contract for 3 to 4 years. These contracts, notarized as legal documents, should not be changed unless absolutely necessary. Nationwide, we should allow the various forms of contracted operations already implemented at present to continue until 1990. During this period, efforts should be made to conduct a thorough investigation and study and summarize practical experience so that the contracted operations responsibility system will continue to develop and improve. [passage omitted]

At the meeting, Yuan Baohua, vice minister of the State Economic Commission, relayed important speeches by leading comrades of the State Council on increasing production and practicing economy and on deepening the reform of enterprises.

PENG ZHEN MOURNS DEATH OF JIANGXI'S HE SHIKUN

OW190821 Beijing XINHUA Domestic Service in Chinese 1514 GMT 18 Jul 87

[Excerpt] Nanchang, 18 Jul (XINHUA) -- A ceremony was held in Nanchang today to bury the remains of Comrade He Shikun, member of the CPPCC National Committee, vice chairman of the Jiangxi Provincial CPPCC Committee and vice chairman of the Central Consultative and Supervisory Committee of the Chinese Peasants and Workers Democratic Party.

Comrades Peng Zhen, Zhou Gucheng and Ji Fang sent wreaths to mourn the death of Comrade He Shikun. Wreaths were also sent by the CPPCC National Committee, the United Front Work Department of the CPC Central Committee, the Central Committee of the Chinese Peasants and Workers Democratic Party, the Jiangxi Provincial CPC Committee, provincial People's Congress, provincial Government and provincial CPPCC Committee, the Anhui Provincial Government and Provincial CPPCC Committee, and Feixi County CPC Committee and Feixi County Government, Anhui. [passage omitted]

HU QIAOMU, DENG LIQUN HONOR TOP PUBLICATIONS

OW181143 Beijing XINHUA Domestic Service in Chinese 1112 GMT 17 Jul 87

[By GUANGMING RIBAO reporter Zhuang Jian and XINHUA reporter Li Guangru]

[Excerpts] Beijing, 17 Jul (XINHUA) -- Ten books won the "China Publication Award" today. China has made rapid headway in the publication industry. It published 51,789 books in 1986 alone. The award, established by ZHONGGUO TUSHU PINGLUN [CHINA BOOK CRITIQUE], is a top-honor national publication award. [passage omitted] Comrade Hu Qiaomu sent a congratulatory letter to the awards ceremony, and Comrades Deng Liqun, Li Yan, and Song Muwen presented trophies and certificates to the winners.

YANG DEZHI VISITS ENGINEERING CORPS MUSEUM

OW171145 Beijing XINHUA Domestic Service in Chinese 1325 GMT 16 Jul 87

[By RENMIN RIBAO reporter Yuan Jianda and XINHUA reporter Xu Jingyao]

[Excerpt] Beijing, 16 Jul (XINHUA) -- The Engineering Corps Museum, a unique museum of one branch of the services, received its first group of visitors today. Among the visitors was Chief of General Staff Yang Dezhi, who viewed the articles on display with great interest.

The museum is located in the western suburbs of Beijing. On display there are equipment, models, photos, and graphs showing the PLA Engineering Corps' activities and achievements during the agrarian revolution war, the War of Resistance Against Japan, and the liberation war and in socialist construction. [passage omitted]

HU PING VISITS ARMED FORCES PHOTO EXHIBITION

OW172325 Nanjing Jiangsu Provincial Service in Mandarin 2200 GMT 16 Jul 87

[Excerpt] The first photo exhibition by Army, Navy and Air Force personnel in the east China region opened at the Servicemen's Club in Nanjing on 16 July. Among the visitors were Hu Ping, member of the Central Advisory Commission; leading comrades of the Nanjing Military Region Xiang Shouzhi, Fu Kuiqing, Guo Tao, Shi Yuxiao, and Chen Hui; and Gu Xiulian, governor of Jiangsu Province.

On display are 247 photographs. [passage omitted]

ECONOMIST URGES 'MORE FREEDOM' FOR SPECIAL ZONES

HK170636 Hong Kong SOUTH CHINA MORNING POST (BUSINESS POST) in English 17 Jul 87 p 3

[By Olivia Sin]

[Text] A noted Chinese economist, Qian Jiaju, has called for more freedom for China's special economic zones [SEZ], allowing them to try "bolder" reforms.

Mr. Qian, a member of the Chinese People's Political Consultative Conference, an advisory body to the government, said that because the SEZs were set up to promote closer overseas links and to experiment with new economic models, they should be given a "free hand" to conduct various experiments.

His comments were apparently made in reference to criticism of the disappointing performance of the SEZs, and Beijing's stepped-up control of the zones. He was speaking during a recent study tour of the Shantou zone, northeast of Guangdong Province.

The four SEZs in Shenzhen, Zhuhai, Xiamen and Shantou were established in 1980 to lure foreign funds and technology by offering special investment incentives.

They came under fire last year for failing to produce export-oriented goods or to attract advanced technology.

"We should not draw hasty conclusions on the SEZs," Mr Qian said.

"The SEZs should proceed faster than the rest of the country in launching reforms and opening to the outside world. If they succeed, their experience can benefit the country, and even if they fail, we can learn a lesson," he said.

Mr Qian said more preferential treatment should be given to the SEZs to make them more attractive to foreign businessmen. "The SEZs should be made into real special zones," he said.

Analysts said the SEZs had lost part of their appeal after China announced a country-wide investment package known as the 22-article regulation at the end of last year.

Before that announcement, profits tax in the SEZs, at a flat 15 per cent, was half the rate levied in other regions.

However, the tax rate in other provinces for export-oriented and advanced industries is now at a level similar to that of the SEZs, under the 22-article regulation.

Analysts said foreign investors could still benefit from low taxes in the SEZs but only if they invested in non-productive ventures such as hotels and restaurants.

But investment in service industries has been discouraged by China, which is now seeking investment mainly in high-tech and foreign exchange-generating industries.

The analysts also said cities such as Shanghai and Tianjin could prove more attractive than the SEZs for industrial investment since they had better infrastructural and technical facilities.

In a related development, the SHENZHEN SPECIAL ZONE HERALD recently published articles claiming that feasibility studies for projects in the SEZs were poorly done.

The newspaper said that while the country had set high qualifying standards for individuals and corporations conducting feasibility studies, the SEZs had failed to stick to the rules.

The paper said many of the feasibility studies done in the SEZs did not go through the stage of "deliberation" by concerned government departments.

One of China's requirements that feasibility studies should be examined twice, once before completion and another after completion.

But the paper said examination before completion of the studies was normally not done in the SEZs, which meant that all official vetting was left until the studies were complete.

OFFICIAL REPORTS ACCELERATION OF KEY PROJECTS

OW171240 Beijing XINHUA in English 1225 GMT 17 Jul 87

[Text] Beijing, July 17 (XINHUA) -- China built and put into operation 12 key projects in the first half of this year, and the construction of other key projects is being hastened, an official of the State Planning Commission said here today.

According to the official, increases were made in the following areas in the first half of this year:

- Coal mining capacity up 750,000 tons;
- Oil extracting capacity up 4.47 million tons;
- Natural gas capacity up 294 million cubic meters;
- Power generating capacity up 1.17 million kilowatts;
- New rail lines laid: 93 kilometers;
- Double-track rail lines laid 88.7 kilometers;
- Cement production capacity up 300,000 tons.

The official said the construction of three 300,000-ton ethylene projects were completed, and the first-stage construction of the Qilu ethylene project in Shandong Province was completed last May.

The official also disclosed the progress in other key projects:

- An opencut coal mine with the designed production capacity of 15 million tons in Pingshuo, Shanxi Province, is go into trial production this month.
- A 173-kilometer-long Hunan to Guizhou electric railway is being examined before acceptance.
- Thirty-six per cent of the Beijing 100,000-set telephone project is now used by subscribers.
- Construction of some industrial raw material projects in Qinghai, Qingtongxia, Guizhou, Tangshan, Shanxi and Ningxia are being accelerated.

Also, work on China's scientific and technological information center was completed last month. The central China television center will be in operation in September and the newly-built Beijing library is scheduled to open in October this year.

The official said China spent 40.1 billion yuan on capital construction in the first six months of this year, a 19.3 per cent increase over the same period last year. Of that amount 27 billion yuan was spent on productive production, 29.7 per cent more than in the corresponding period last year, including 22.2 billion yuan invested in energy, communications and raw materials.

He said investment in new projects and projects not in the state plan are still increasing too fast.

FOREIGN TRADE DEFICIT FALLS IN JAN-JUNE TRADING

OW172033 Beijing XINHUA in English 1351 GMT 17 Jul 87

[Text] Beijing, July 17 (XINHUA) -- China's exports surged by 24.3 percent in the first half of this year to reach 16.6 billion U.S. dollars-worth, a Chinese official announced here today.

Zhang Zhongji, spokesman for the State Statistics Bureau, said at press conference that the country's imports dropped 6.2 percent in the period, totalling 18.6 billion U.S. dollars.

He said China's foreign trade deficit fell to two billion U.S. dollars in the first half of this year as against 6.4 billion U.S. dollars in the same period last year.

In fact, he explained, the actual foreign trade deficit is only about 100 million U.S. dollars, excluding imports used for Sino-foreign joint ventures, processing with supplied materials, compensation trade, donation and grants.

According to the spokesman, China's non-trade foreign exchanges have kept a favorable balance since the beginning of this year, with a surplus of 1.67 billion U.S. dollars by June 20.

He disclosed that the state foreign exchange reserves have risen to 11 billion U.S. dollars at present.

According to statistics provided by the China customs, China's exports to Hong Kong and Macao totalled 3.52 billion U.S. dollars in the January-June period of this year, up 51.7 percent, while imports came to 5.86 billion U.S. dollars, up 40.9 percent.

China's exports to Japan dropped 22.8 percent to 4.51 billion U.S. dollars while imports from Japan totalled 2.73 billion U.S. dollars, up 15.7 percent.

Exports to the United States came to 1.82 billion U.S. dollars, down 26.3 percent, while imports were up 24.1 percent to reach 1.44 billion U.S. dollars.

China kept a balance in imports from the Soviet Union -- about 500 million U.S. dollars, with exports down 5.9 percent -- totalling 480 million U.S. dollars.

HENAN MEETING ACCEPTS HE ZHUKANG'S RESIGNATION

HK200142 Zhengzhou Henan Provincial Service in Mandarin 2200 GMT 19 Jul 87

[Excerpts] The 29th Meeting of the 6th Henan Provincial People's Congress Standing Committee concluded in Zhengzhou on 19 July, after 10 days in session. Chairman Zhang Shude presided at the concluding session and made a speech. [passage omitted]

The meeting passed a decision accepting the resignation of He Zhukang from the post of governor of Henan. It decided to appoint Chen Weigao vice governor and concurrently acting governor of the province. The meeting also approved other appointments and dismissals. [passage omitted]

Comrade He Zhukang spoke at the meeting. He said: I grew up in Henan and have great affection for every inch of it. In particular, I can never forget the concern and support given me by many veteran comrades. I will work hard in my new post and will also contribute my strength to the invigoration of Henan.

Acting Governor Chen Weigao attended the meeting as an observer and also spoke. [passage omitted]

HUBEI'S GUAN GUANGFU ATTENDS HEALTH CONFERENCE

HK190211 Wuhan Hubei Provincial Service in Mandarin 0900 GMT 17 Jul 87

[Excerpts] The provincial party committee and government held a conference on prevention of schistosomiasis in Jingzhou from 12 to 15 July. On the basis of affirming the achievements, the participants fully exposed the contradictions, analysed the reasons, and produced countermeasures. They resolved to grasp schistosomiasis prevention as an urgent task, rapidly reverse the increase in the incidence of this disease following its decline, and strive for new progress and breakthrough in the next 1 or 2 years.

Provincial party committee Secretary Guan Guangfu and Governor Guo Zhenqian put forward important views on making a success of this work. [passage omitted]

HUNAN'S MAO ZHIYONG INSPECTS RURAL AREAS

HK171510 Changsha Hunan Provincial Service in Mandarin 0000 GMT 17 Jul 87

[Excerpt] According to HUNAN RIBAO, provincial party committee Secretary Mao Zhiyong and Standing Committee members Sun Wensheng and Shen Ruiting, who are currently inspecting the rural areas of Zhuzhou City, went to Youxian and Chaling Counties on 15 and 16 July to find out the drought situation there. [passage omitted]

GUIZHOU'S HU JINTAO VISITS GRAIN FIELDS

HK171520 Guiyang Guizhou Provincial Service in Mandarin 2200 GMT 16 Jul 87

[Excerpts] From 11 to 14 July, the provincial party committee held a seminar at Zunyi on the grain question. Secretaries of prefectural and city party committees and agricultural experts from all parts of the province discussed plans for developing grain production. [passage omitted]

During the first 2 days of the meeting, Hu Jintao, Su Gang, Ding Tingmo, and Qiao Xuehang went into the fields, despite the hot weather, with prefectural and county leaders and experts to view on the spot progress in making technical breakthroughs at eight typical units in Zunyi and Renhuai Counties. [passage omitted]

SICHUAN'S YANG RUDAI AT GRADUATION CEREMONY

HK180342 Chengdu Sichuan Provincial Service in Mandarin 2200 GMT 17 Jul 87

[Excerpt] According to SICHUAN RIBAO, on 15 July, provincial party committee Secretary Yang Rudai spoke at the graduation ceremony of the provincial book-reading class for county party committee secretaries. He dealt with the current initial stage of socialism, party building in the new period, and current economic issues. [passage omitted]

YUNNAN'S PU CHAOZHU VISITS HAILSTORM VICTIMS

HK190215 Kunming Yunnan Provincial Service in Mandarin 1000 GMT 17 Jul 87

[Excerpt] According to YUNNAN RIBAO, provincial party committee Secretary Pu Chaozhu yesterday visited areas in the Taoyuan District of Ludian County to comfort the peasants who were recently hit by a severe hailstorm. He discussed with the masses plans for fighting the disaster and reaping a bumper harvest. The district was recently hit by one of the worst hailstorms ever known there. Roofs of people's houses were damaged and various crops were wiped out. [passage omitted]

HEILONGJIANG SECRETARY SUMS UP AT CONFERENCE

SK170840 Harbin Heilongjiang Provincial Service in Mandarin 2100 GMT 16 Jul 87

[Excerpt] After satisfactorily completing all items on its agenda, the 4-day meeting on the work conference of the provincial party committee concluded on 16 July. Having seriously and conscientiously discussed the reasons for the catastrophic Daxinganling forest fire and the major vicious accidents that have occurred in succession since 1985 and the criticisms from the Standing Committee of the Central Discipline Inspection Commission, the meeting made a careful analysis of the current situation and arranged for the work during the second half of this year.

Leading comrades of the provincial party committee and the provincial government respectively delivered speeches on the work they are in charge of. Comrade Sun Weiben made a summing-up speech at the meeting. [passage omitted]

JILIN CONGRESS ACCEPTS GOVERNOR'S RESIGNATION

SK190524 Changchun Jilin Provincial Service in Mandarin 0930 GMT 18 Jul 87

[Excerpts] The 26th Standing Committee of the 6th provincial People's Congress ended a meeting this afternoon. At this morning's plenary meeting, Comrade Gao Di put forward opinions and suggestions on the changes of principal responsible persons of the provincial government on behalf of the Jilin provincial party committee, and submitted suggestions to the provincial People's Congress Standing Committee for discussion.

At the afternoon plenary meeting, after conducting conscientious discussions, the committee members decided to elect by vote He Zhoukang as acting governor of Jilin Province and Hui Liangyu vice governor. [passage omitted]

He Zhoukang is 55 years old. He is the former deputy secretary of the Henan provincial party committee and the governor. Hui Liangyu is 43 years old. He is the former Standing Committee member of the Jilin provincial party committee and director of the provincial Rural Work Department.

Gao Dezhan, former governor of Jilin province, left his post for work requirements. The present provincial People's Congress Standing Committee meeting decided to approve his request to resign from his post as governor of Jilin Province. The meeting also decided to accept the request of Xu Yuancun to resign from his concurrent post as secretary general of the provincial People's Congress Standing Committee. [passage omitted]

QINGHAI SECRETARY HEARS HAINAN PROGRESS REPORT

HK200222 Xining Qinghai Provincial Service in Mandarin 0430 GMT 18 Jul 87

[Excerpt] On 13 July, provincial party committee Secretary Yin Kesheng, Standing Committee member Chen Yunfeng, and their party passed through Hainan Autonomous Prefecture on their way to inspect work at Yushu and Golog. They listened to a report from a prefectural leader on the progress of work in the first half of the year, and then made speeches. [passage omitted]

XINJIANG SECRETARY AT ANTIFLOOD WORK CONFERENCE

HK200250 Urumqi Xinjiang Regional Service in Mandarin 1200 GMT 17 Jul 87

[Excerpts] The regional party committee and people's government held an urgent telephone conference this afternoon, which demanded that the cadres and masses in all prefectures, cities, and counties urgently mobilize, eliminate lethargy and the idea of winning through by luck, and rapidly plunge into flood prevention and rescue work. Preventing and fighting flood should be regarded as the current overriding central task, and the losses caused by the floods should be reduced to the minimum. We must ensure the safety of life and property and strive for a 10th successive bumper year in agriculture.

Regional party committee Secretary Song Hanliang presided at the meeting. Regional government Chairman Tomur Dawamat made an important speech. [passage omitted]

Wang Enmao, vice chairman of the CPPCC and chairman of the regional Advisory Commission, made an important speech at the conference.

COMMENTARY ON END OF EMERGENCY DECREE CONCLUDED

Part II Broadcast

OW170525 Taipei International Service in English 0200 GMT 17 Jul 87

[Station commentary: "Goodbye to the Emergency Decree, Part II"]

[Text] Yesterday, we commented on the true nature of the Emergency Decree that was lifted in the Taiwan area. It was pointed out that critics of the decree, which was in effect on Taiwan since 1949, often substituted the uglier term "martial law" for the correct translation of the measure, which really meant "emergency situation." Today, we lay that argument to rest and move on to the nuts and bolts issue of why the decree was called in the first place, why it lasted for 38 years, and why it was finally lifted yesterday.

The Emergency Decree was called during one of the darkest periods in the history of the Republic of China [ROC]. At the time in 1949, the Chinese Communists had just usurped power on the China mainland and were preparing to invade Taiwan, the last stronghold of the ROC Government. The need for emergency preparations and precautions was self-evident at the time.

In later years, however, the need for the Emergency Decree became less and less evident, at least in the eyes of its critics at home and abroad, who often called it unnecessary, outdated, and a roadblock to democracy on Taiwan.

As a matter of fact, and off the record, however, the threat from the Chinese Communists has never been removed. Every week for the past 38-odd years, the Chinese Communists have publicly announced that they "reserve the right" to use force against Taiwan. One need only look at a map to ascertain why it is the Government of the ROC on Taiwan maintained a state of emergency to offset this oft-repeated threat. The communist controlled mainland of China is 240 times the size of Taiwan with 60 times the population; Taiwan had no choice but to undertake special security precautions, embodied in the Emergency Decree, to offset the overwhelming odds against its survival. It is despicable that there are people who do not accept this justification for the existence of the emergency decrees over the years. Such people take security matters for granted, in a hair-brained, thoughtless way.

In essence, the Emergency Decree served two all-important functions: First, it provided ample security preparedness. Second, it acted as an incubator, if you will, for the astounding social, economic, and political progress that has been achieved on Taiwan during the past four decades. The Emergency Decree had as its central purpose the maintenance of stability in an island society that has had a Sword of Damocles hanging over it in the form of the threat from Communist China.

This need was not lost on the Taiwan public, which has consistently voiced its concern for stability in elections and public opinion polls over the years.

Which brings us to the reason why the Emergency Decree was lifted. Premier Yu Kuo-hua said it best when he remarked that "The lifting of the Emergency Decree means only that our Government and people now have the ability to manage any eventual crises they may face in a democratic manner; it does not mean that threats to the nation's security no longer exist." [paragraph continues]

The Chinese Communist threat is still there, but instead of using an emergency, "state of siege" mentality to cope with it, the Government and people of the ROC on Taiwan will rely on their gradually realized strength as a maturing democracy as their best defense against Chinese communism.

The Emergency Decree is now a thing of the past. With it, the record of the Republic of China on Taiwan stands as one of the best of the post-World War II era. Without it, a new era of openness and democracy is on the horizon, bringing with it the hope and expectations of even greater achievements to come.

Part III Broadcast

OW191049 Taipei International Service in English 0200 GMT 18 Jul 87

[Station commentary: "Goodbye to the Emergency Decree, Part III"]

[Text] Two days ago the Republic of China [ROC] on Taiwan announced the lifting of its longstanding Emergency Decree, which had often been mistranslated to mean martial law. As expected, the event made news around the world. And as expected the foreign media have passed judgement of the merits of this epochal event in the political development of the ROC on Taiwan.

Overall, media reaction to the lifting of the Emergency Decree has been quite favorable and sympathetic. Almost all the media described the event as a major step forward in the ROC's march toward becoming a genuine democracy. Many praised President Chiang Ching-kuo for his progressive, yet cautious stewardship through this difficult process. In many articles appearing President Chiang is said to have exhibited much foresight, as opposed to his counterparts in South Korea, where the impetus for political reform appears to have come from mass demonstrations and violence.

In the United States, the WASHINGTON POST's Daniel Southerland, who has been stationed in this part of the world for several years now, gave what observers here consider to be the best example of fair reporting on the lifting of the Emergency Decree. Southerland stressed the positive aspects of the event by subordinating opposition criticisms to the event itself. The major news story, in the POST's eyes, is the future good the lifting of the Emergency Decree will do Taiwan in the long run. Most other major newspapers in the United States reported the news in this fashion as well.

There were, however, skeptics in the foreign media, chief among those who reported rather negatively on the event was the CHRISTIAN SCIENCE MONITOR. That nationally circulated daily alluded to the obstacle that had been removed in Taiwan's democratization process, then went on to quote only the opinions of critics of the ROC government, all but one of whom reside in the U.S. The MONITOR's news coverage, therefore, was heavily tainted by opposition views and propaganda. Advocacy journalism was used to dilute the real news worthiness of the story. What the MONITOR should have done on a story of this importance was to call in Julian Baum, their Peking correspondent, who knows much about Chinese affairs, and who would have covered the event in a much fairer, intelligent way. But, alas, that is a sovereign decision only the MONITOR can make. The intention of this criticism is not to pick on the MONITOR. It's just that that paper's negative coverage sticks out like a sore thumb in pile of clippings.

The critics of the ROC Government, some of whom were quoted in the MONITOR piece, are exhibiting sour grapes in shedding a negative light on this good-news story. Among other things, they are saying the new national security law, which went into effect when the Emergency Decree was lifted, is martial law in disguise. This is a false assertion that any second grader can tell for himself just by reading the contents of the two laws. The assertion is nothing more than a propaganda slogan of the opposition, which has been left without a cause after the majority party seized the initiative on this and other political reforms. The MONITOR also quoted another individual who remarked the lifting of the Emergency Decree will not stop the persecution of people for their political views. Again, this is a warped, ignorant view that on-the-scene observers find laughable. In the past year or two opposition figures in Taiwan have freely expressed their views even while the Emergency Decree was still in effect. If anything, now that the decree is lifted, these people will not change a thing they are saying or doing.

This argument could go on and on. But let's keep it short by stating the simple facts. The Emergency Decree is history and Taiwan will be a more politically free and open society. Ironically, it is the opposition who will be the first to discover this truth, no matter what they tell the foreign media in the meantime.

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